

# EXHIBIT 9

**DECLARATION OF CASE WESTERN RESERVE UNIVERSITY**

I, J. Michael Oakes, declare as follows:

1. I am the Senior Vice President for Research and Technology Management at Case Western Reserve University (“CWRU”) in Cleveland, Ohio. I have held that position since 2021. I earned my PhD in Social Epidemiology from the University of Massachusetts Amherst in 1997.

2. As SVP for Research and Technology Management, I have personal knowledge of the contents of this declaration or have knowledge of the matters based on my review of information and records gathered by CWRU personnel and could testify thereto.

3. CWRU receives substantial annual funding from the National Institutes of Health (“NIH”). For CWRU’s 2022-23 fiscal year, we received approximately \$246 million from the NIH in grants. Of that amount, approximately \$84 million was for indirect costs.

4. The funding that CWRU receives from NIH supports critical and cutting-edge medical research, which millions of Americans benefit from and depend on. For example:

- a. Our Case Comprehensive Cancer Center, an NCI designated Cancer Center, supports research for cancer treatment and cancer cures.
- b. Our medical research also includes work towards Alzheimer’s treatments and searches for a cure, as well as for numerous pediatric diseases.
- c. This research is often conducted in collaboration with and through our affiliate hospitals.
- d. Additional areas of research supported by NIH include regenerative medicine, restoring movement following paralysis, and improving mental health, among others. Further, there are hundreds of PhD students at the CWRU School of Medicine and the vast majority are supported by NIH in one way or another.

5. Indirect costs are essential for supporting this research. The NIH imposed cut and cap of indirect cost rates to 15% would seriously jeopardize all of the research projects described in paragraph 4 plus many others.

6. Indirect costs help fund the construction of new facilities for interdisciplinary research as well as the research equipment for our Comprehensive Cancer Center. Without these new facilities and new equipment, we cannot conduct this research.

7. Physical space costs are one of the largest components of indirect costs, and the amount and quality of space available to researchers has a direct and obvious impact on the amount of research that can be done at CWRU. We are currently in the process of constructing a \$300 million interdisciplinary research facility at CWRU. Indirect cost recovery from NIH grants will help maintain this important facility.

8. In addition, indirect costs fund the administration of awards, including staff who ensure compliance with a vast number of regulatory mandates from agencies such as NIH. These mandates serve many important functions, including protecting human and animal subjects involved in research; ensuring research integrity; properly managing and disposing of chemical and biological agents used in research; preventing financial conflicts of interest; managing funds; protecting intellectual property, technologies; and providing the high level of cybersecurity, data storage, and computing environments mandated for regulated data.

9. Recovery of CWRU's indirect costs is based on predetermined rates that have been contractually negotiated with the federal government.

10. Through fiscal year 2024, the predetermined indirect cost rate for NIH awards is 61%.

11. If—contrary to what CWRU has negotiated with the federal government—the indirect cost rate is reduced to 15%, that would reduce the University’s anticipated annual indirect cost recovery by a total of approximately \$65 million on an annual basis.

12. CWRU has for decades relied on the payment of indirect costs. And until now, we have been able to rely on the well-established process for negotiating indirect cost rates with the government to inform our budgeting and planning. These negotiated rates are also audited annually by the federal agencies. Operating budgets rely on an estimate of both direct and indirect sponsored funding to plan for annual staffing needs (*e.g.*, post-docs, PhD students, faculty hires, and other research staff), infrastructure support (*e.g.*, IT networks, regulatory compliance, and grant management support), and facility and equipment purchases. A cut in the indirect cost recovery rate greatly inhibits the ability to meet these obligations that have been incurred in reliance on the indirect costs.

13. In addition to the immediate impacts and reliance interests described above, there are longer term impacts that are both cumulative and cascading. Significantly, CWRU’s ability to conduct groundbreaking medical research that saves patients’ lives will be severely diminished.

14. Disruptions to CWRU’s research will also have negative effects in the City of Cleveland, the State of Ohio, and the broader region. Thousands of residents are directly employed by CWRU—and it collaborates with state and local partners to help solve regional challenges through joint research and innovation. CWRU’s research also fuels spending in the regional economy, including by driving discoveries that launch new ventures, attract private investment, and make a positive social impact. A massive reduction in CWRU’s research budget would immediately and seriously jeopardize these contributions to the local region.

15. Finally, slowdowns or halts in research by CWRU and other American universities will allow competitor nations that are maintaining their investments in research to surpass the United States on this front, threatening both our Nation's national security and its economic dominance.

16. Nor can CWRU cover the funding gap itself. It is neither feasible nor sustainable for CWRU to use endowment funds or other revenue sources to offset shortfalls in indirect cost recovery. Indeed, even with a 61% indirect cost recovery rate, CWRU does not recover between 10% to 20% of its actual research costs (i.e., this is a cost share borne by CWRU). Absorbing the difference between our negotiated cost recovery rate and 15% would require the serious research cuts discussed above.

17. Moreover, absorbing the cost of a lower indirect cost rate, even if it were possible, would create long-term budget pressures on CWRU—which would in turn force reductions in key investments supporting CWRU's faculty, students, staff, research, and teaching infrastructure, as well as other critical activities needed to maintain CWRU's academic excellence.

I declare under penalty of perjury that the foregoing is true and correct.

Executed on 9<sup>th</sup> of February, 2025, at Cleveland, Ohio.

/s/ J. Michael Oakes  
J. Michael Oakes